MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

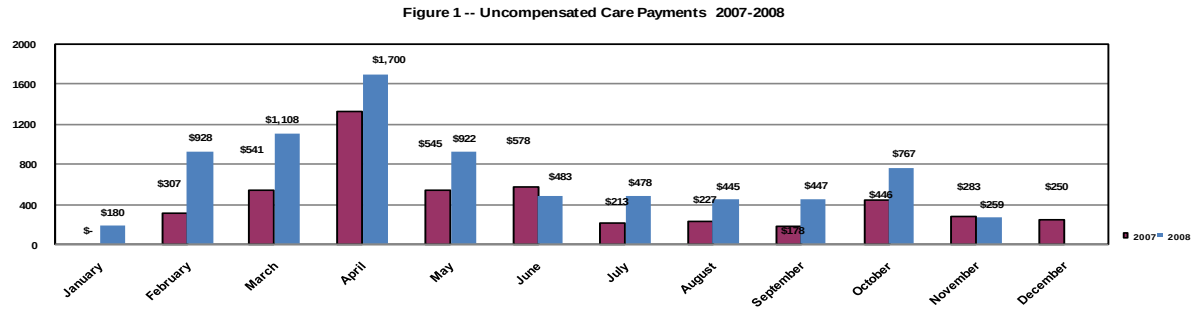
December 2008

CENTER FOR INFORMATION SYSTEMS AND ANALYSIS

Maryland Trauma Physician Services Fund

Uncompensated Care Processing

CoreSource, Inc., the third party administrator (TPA) for the Trauma Fund, adjudicated claims with a total paid value of approximately $259,391 in November. The monthly payments for uncompensated care over the past 22 months are shown in Figure 1.



Trauma Equipment Grants

The Trauma Equipment Grant application for FY 2009 was reported to Senator Middleton and Delegate Hammen for comment and subsequently sent to the trauma centers. Applications for the 2009 Trauma Equipment Grants are due no later than January 12, 2009.

SB 916 – Maryland Trauma Physician Services Fund – Reimbursement and Grants

The Commission is required to implement the new law (signed by Governor Martin O'Malley on April 24th) effective July 2008. Staff is drafting proposed changes to COMAR 10.25.10 to conform with the statutory changes in consultation with staff members from the Maryland Institute for Emergency Medical Services Systems (MIEMSS), the Health Services Cost Review Commission (HSCRC), and the members of TraumaNet.

Cost and Quality Analyses

Report on Differences In Hospitalizations For Ambulatory Care Sensitive Conditions Among Maryland Medicare Beneficiaries – 2006

The MHCC and the DHMH office of Minority Health undertook this study to expand policymakers understanding of health care disparities in the state. Hospitalization for ambulatory care sensitive conditions (ACSCs)—conditions for which timely and appropriate outpatient care could prevent many hospitalizations—is a frequently used marker for the quality of the outpatient care system. Researchers have found that the performance of outpatient care systems can include both quality of care delivered by individual providers and system-level factors that affect patient access to care. High rates of ACSC-related hospitalizations may indicate problems with the quality of care in outpatient health care systems. Differences in rates between different groups could arise from inequities in the quality of care, although differences in disease burden and other factors are also likely to play a role.

The analysis of Maryland Medicare claims data showed significant differences in rates of ACSC-related hospitalizations by race and gender that were only partially explained by factors such as disease burden, socioeconomic, and geographic factors. Rates also varied significantly by county, when controlling for differences in population characteristics. The issue brief and a detailed report describing the methods used will be released in December.

Health Insurance Coverage
In January, MHCC staff will present findings from this year's *Health Insurance Coverage in Maryland* report, which will explore insurance coverage among the state's nonelderly residents in 2006-2007. The report is heavily used by legislators and other state policy-makers during the legislative session which begins in early January.

Task Force on Health Care Access & Reimbursement
The Center for Information Services and Analysis staff continues to serve as staff to the Governor's Task Force on Health Care Access & Reimbursement. The Task Force met on November 3rd to vote on recommendations from the Task Force in nine areas as specified in by Senate Bill 107 (Chapter 505 of 2007 Laws of Maryland), as amended by Senate Bill 744 in 2008.

The MHCC does not need to take any action on the recommendations at this time. Several of the recommendations require MHCC to conduct studies in collaboration with other state agencies. As these new initiatives will require legislative action, staff believes that it would be more efficient to present the recommendations as they are introduced during the 2009 Legislative Session.

Data and Software Development

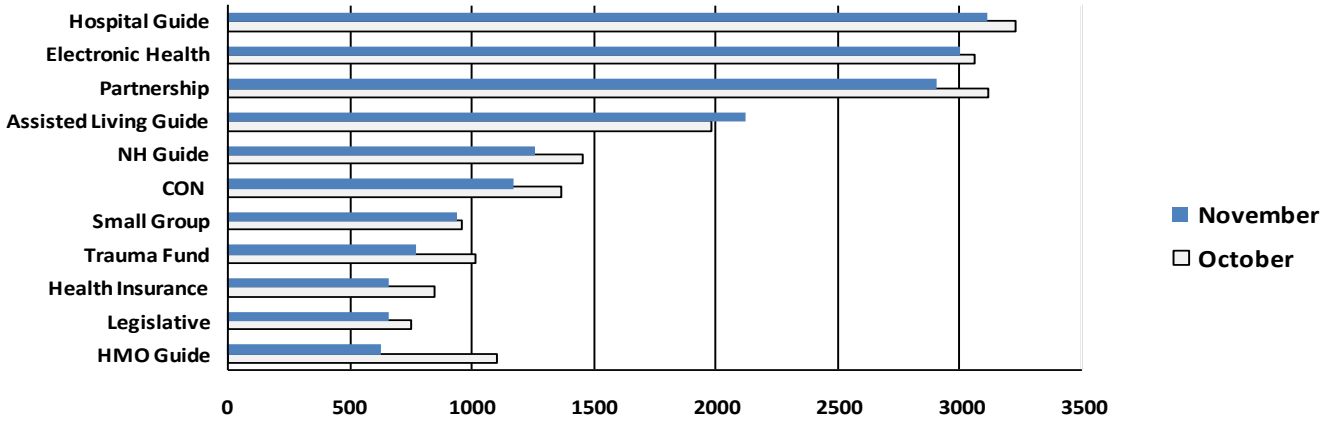
Internet Activities
Figure 2 presents results on web utilization for the Commission's ten most frequently visited sites for October and November of this year. Visits in the last two months have dropped about 10% with November totals at about 23,000.

The Hospital Performance Guide, shown as "Hospital Guide" below, was the site with the highest utilization in November. It continues to be one of the most heavily visited sites. The Guides (Hospital, Assisted Living, and Nursing Home, shown as "NH Guide" below) all had significant traffic during the month. The release of the 2008 HMO Guide in the October kept the HMO initiative in the top ten again

this month, even though usage dropped about 40 percent from October. The Hospital Guide, the Health Insurance Partnership, and Electronic Health Initiatives each had about 3,000 visits in November. All sites showed some declines from the October totals. Of the ten leading sites, only the Assisted Living Guide saw growth in visitors.

Several web analytics continued to trend favorably last month. The average number of pages viewed and the average time on the site were steady. About one-fourth of all visitors originate from a Maryland-based ISP. Those visitors tend to view more pages and spend a longer time on the site.

Figure 2: Visits to the MHCC Web Sites
Top 10 MHCC Sites during October- November 2008



Web Development for Internal Applications

Staff continued to make progress on license renewal applications for the occupation boards. Table 1 presents the status on development for health occupation boards. The current workload and the limited staff available for develop has forced MHCC to scale back support to the Boards in the last several months.

Table 1– Health Occupation Boards with Web Applications Under Development

Board	Anticipated Start Development/Renewal	Start of Next Renewal Cycle
Physician- Radiation Technicians	Planning	April 2009
Physicians – Physician Assistants	Planning	June 2009
Pharmacy	Planning	Fall 2009
Nursing Home Survey Redesign	Planning	Summer 2009
AHRQ QI Installation	Planning	February 2009

CENTERS FOR HEALTH CARE FINANCING AND LONG-TERM CARE AND COMMUNITY BASED SERVICES

HMO Quality and Performance

2008 Plan Performance Evaluation: HEDIS Audit and CAHPS Survey

HealthcareData Company (HDC), contractor for HEDIS audit services, has initiated the 2009 audit process. Site visits for all plans have been scheduled, and staffing assignments have been approved. The informational session to prepare plans for the evaluation phase of the health plan quality initiative for 2009 has been scheduled for December 11. Plans that will submit data in 2009 participate in this annual event. Division staff has worked with both HDC and WB&A (CAHPS survey contractor) in finalizing the timeline, key dates, and general schedule for 2009 audit and survey implementation. In addition to the HMO plans mandated to report performance data, representatives from PPO plans will join this session.

Staff met with the director of the Mid-Atlantic Business Group on Health to discuss the 2009 status of eValue8 which has recently been incorporated into the Consumer Report. To be effective, there needs to be at least one additional plan participant. eValue8 also needs to activate its PPO product so its reporting scope mirrors that of HEDIS and CAHPS.

Small Group Market

Comprehensive Standard Health Benefit Plan (CSHBP)
At the May public meeting, Commission staff presented the results of the annual surveys submitted by each participating carrier in the small group market. The presentation included updated information on the number of employer groups enrolled, the number of lives covered, average premiums for various plan types, etc. in the CSHBP for the year ending December 31, 2007, as well as the overall cost of the core plan in relation to the income affordability cap, which is set in statute at 10% of the average annual wage in Maryland. For comparative purposes, the report also included enrollment by age and geographic location of the business for both CY 2006 and CY 2007. Since the overall cost of the CSHBP is estimated to be at about 86% of the cap for 2007, the Commission is not required to make any changes to the Standard Plan. However, at the request of the Commission and the General Assembly, staff evaluated the cost of covering dependents up to age 25 and coverage for domestic partners in the small group market. At the November meeting, the Commission voted to cover dependents up to age 25. Therefore, later in the meeting, staff will present proposed permanent regulations asking the Commission to adopt this change in the CSHBP. In addition, with increasing information on the cost effectiveness of bariatric surgery, Mercer, the Commission's consulting actuary, evaluated the cost of adding this covered service to the CSHBP. Based on Mercer's report, staff will present proposed permanent regulations later in the meeting asking the Commission to adopt this covered service in the CSHBP as well.

Health Insurance Partnership
At the February public meeting, the Commission adopted both emergency regulations (for an immediate effective date) and proposed permanent regulations that specify the components of wellness benefits offered under small employer health benefit plans. These regulations are required under SB 6, the *"Working Families and Small Business Health Coverage Act,"* enacted during the Special Session of November 2007. The emergency regulations were approved on April 1, 2008 and expired on August 18,

2008. The proposed permanent regulations were approved at the June public meeting with a final effective date of July 17, 2008. The MIA has approved the wellness riders for the various products that the four participating carriers are offering under the Partnership.

At the August 5th Commission meeting, conducted via conference call, the Commission adopted final regulations to implement (effective August 25th) the new premium subsidy program, the "Health Insurance Partnership" which also was required under SB 6. The Partnership is now available to certain small employers with 2 to 9 full time employees as long as they meet the requirements outlined in the law and meet certain salary, wage and other eligibility requirements established by the Commission through regulation.

Commission staff created and continually maintains the Partnership website (http://mhcc.maryland.gov/partnership) to inform all interested parties, including, carriers, producers, employers, employees, various business associations, etc., about the Partnership. Coverage under the Partnership began on October 1, 2008.

Mandated Health Insurance Services
As required under Insurance Article § 15-1501, Annotated Code of Maryland, the Commission is required to submit an annual report to the General Assembly on: (1) any proposed mandated health insurance service that failed during the preceding legislative session; and (2) any request for analysis on a proposed mandated benefit that was submitted by a Legislator to the Commission by July 1st of that year. Each evaluation must include an assessment on the medical, financial, and social impact of the proposed mandate. This year's report includes an evaluation on the following five (5) proposed mandates:

1. Coverage for prosthetic devices
2. Extending the current mandate on coverage for in vitro fertilization
3. Coverage for the shingles (herpes zoster) vaccine
4. Coverage for autism spectrum disorder
5. Coverage for a 48-hour inpatient stay following mastectomy

Mercer prepared this report, which will be presented later in today's meeting, asking the Commission for approval to submit the report to the Legislature. The report is due to the Governor and the General Assembly by December 31, 2008.

Long Term Care Policy and Planning

Home Health Study
During the 2008 legislative session, HB 558 was introduced, but did not pass. Following a hearing on the bill, the Chairman of the Health and Government Operations Committee asked the Commission and the Office of Health Care Quality to recommend, in the absence of certificate of need (CON) for home health agencies, how best to assure regulatory oversight and quality, how possible adverse effects could be mitigated, and what the fiscal implications of the change would be.

In order to conduct this study, the Commission and the Office of Health Care Quality (OHCQ) convened a Home Health Advisory Group. Membership included: home health agencies, residential service agencies, Medicaid, Centers for Medicare and Medicaid Services, the Board of Nursing, AARP, the Maryland National Capital Homecare Association, as well as staff of the Office of Health Care Quality and the Commission. Three meetings were held. At the first meeting, there were presentations on how current regulations under CON as well as licensing are implemented. Data comparing Maryland's home health agency utilization with that of neighboring states and the nation as a whole were also presented.

There was also a review of current measures of home health agency performance as well as a discussion of options for regulation.

At the second meeting, a review of a survey of state licensing agencies was presented. There was a wide range of responses from no licensure to licensure of programs as well as individuals providing care. There was also a presentation of results from a survey of the top performing states on home health measures. Using the Agency for Healthcare Research and Quality (AHRQ's) snapshots, nine states were selected that had a meter score of 75 or higher, since Maryland's score was 75. The data showed that there is not a direct relationship between a state's high performance on home health care with that of a state having or not having CON program. The only consistent observation was that for those states with a CON program for home health, the number of Medicare certified home health agencies per 100,000 beneficiaries was lower than states without a CON program. Results indicated a wide range of oversight from no licensure or CON to CON need projections and strong training and oversight by licensing staff. The third meeting of the Home Health Advisory Group was held on November 17, 2008. The discussion focused on proposals for regulatory oversight. The final report will be presented at the December Commission meeting. It will review the charge given to the Commission and OHCQ to suggest a regulatory approach that would promote quality home care in the absence of certificate of need coverage.

Hospice Data
The Commission, working with OCS as its contractor, conducts the annual Maryland Hospice Survey. Data work has now been completed to correct and update the public use data set for FY 2006. In addition, the public use data set for FY 2007 has also been completed. For these years, there is also an Interpretive Guide that explains the variables in the data set. This information is posted on the Commission's website. In addition, work is underway to revise the survey for the FY 2008 data collection. Questions have been updated, both in response to issues raised during last year's data collection, as well as in response to changes made by the National Hospice and Palliative Care Organization on its National Data Survey. Commission staff will be meeting with hospice providers to discuss changes recommended for the next data collection period.

Home Health Data
The 2008 Home Health Agency Survey is due December 8, 2008 for phase I agencies; this includes 27 agencies. Phase I includes those home health agencies with fiscal years ending in March, May and June. Staff sent out a 30-day reminder notice by email to all of the phase I agencies on November 10, 2008. Staff continues to provide help desk support as required.

Long Term Care Survey
The Commission is in receipt of all submitted surveys, 683 total. Staff is in transition in updating the SAS Programs used in the post collection phase of the survey to clean the data. When this is finalized, staff will review the data for any inconsistencies and write correction edits as appropriate. Once the data is verified, staff will begin the process of preparing public use reports, nursing home guide data, and the assisted living guide data.

Long Term Care Quality Initiative

Nursing Home Family Survey
Analysis of survey results is underway. The response rate for the 2008 survey will be similar to last year's rate of 58%. This represents a high response rate relative to national survey efforts which have been decreasing over the last few years. It is not uncommon for response rates of 30-40% on similar surveys.

Staff was invited to make a presentation on the successful development and implementation of the Maryland Nursing Home Family Survey by the Agency for Healthcare Research and Quality (AHRQ) at the national *Consumer Assessment of Healthcare Providers and Systems (CAHPS) User Group Meeting*. Other states and AHRQ have not been successful in getting cooperation from the industry or families.

Long Term Care Web Site Enhancement
Development of the enhanced LTC web site continues. A meeting with consumers to gather input about the new site will be held in January/February.

CENTER FOR HOSPITAL SERVICES

Hospital Services Policy and Planning

Certificate of Need (CON)

CON Letters of Intent

Community Care Nursing Services
Provide specialty home health services to pediatric patients

CON Applications Filed

Lorien LifeCenter – Harford (Harford County) – Matter No. 08-12-2288
Construct a new 78 bed comprehensive care facility ("CCF")
Blenheim Rd and Pulaski Highway, Havre de Grace.
Cost: $7,905,938
November 7, 2008

Determination of Coverage

Acquisitions

The Wesley (Baltimore City)
Change to the acquisition of The Wesley by Age Wave Properties, LLC in February 2008. Springwell Skilled Care & Rehab Center, LLC (a subsidiary of Age Wave Properties, LLC) will be the licensed operator of the facility under a lease with Age Wave Properties

HomeCall-Baltimore
Acquisition of HomeCall-Baltimore, by Maryland Health Care Group, Inc. a wholly owned subsidiary of LHC Group, Inc. HomeCall-Baltimore is a general home health agency authorized to serve Baltimore City

HomeCall-Westminster
Acquisition of HomeCall-Westminster, by Maryland Health Care Group, Inc. a wholly owned subsidiary of LHC Group, Inc. HomeCall-Westminster is a general home health agency authorized to serve Baltimore, Carroll, Harford and Howard Counties.

HomeCall-Frederick

Acquisition of HomeCall-Frederick, by Maryland Health Care Group, Inc. a wholly owned subsidiary of LHC Group, Inc. HomeCall-Frederick is a general home health agency and authorized to serve all residents of Frederick, Montgomery and Washington Counties and residents of Allegany and Garrett Counties who are enrollees of health maintenance organizations owned and operated by Mid Atlantic and/or United. Home Call-Frederick will no longer service Allegany and Garrett counties since LHC Group, Inc. is not a health maintenance organization.

HomeCall-Prince George's
Acquisition of HomeCall-Prince George's, by Maryland Health Care Group, Inc. a wholly owned subsidiary of LHC Group, Inc. HomeCall-Prince George's is authorized to serve all residents of Anne Arundel, Calvert, Caroline, Charles, Dorchester, Prince George's, Queen Anne's, St. Mary's, Talbot, Wicomico and Worcester Counties and residents of Cecil, Kent and Somerset Counties who are enrollees of health maintenance organizations owned and operated by Mid Atlantic and/or United. Home Call-Prince George's will no longer service Cecil, Kent and Somerset Counties since LHC Group, Inc. is not a health maintenance organization.

Other

HomeCall-Baltimore and HomeCall-Westminster
Request to transfer jurisdictions from HomeCall-Westminster (Baltimore, Harford and Howard Counties) to HomeCall-Baltimore as part of acquisition of both agencies.
Not approved

HomeCall-Baltimore
Request to update 2001 data to indicate that agency provided services to 1 resident in Baltimore County, 1 resident in Harford County and 1 resident in Howard County in 2001.
Not approved as a basis for including these jurisdictions in the service area for an acquiring entity, given that HomeCall-Baltimore was not authorized to serve these jurisdictions.

Ambulatory Surgery Centers

George Thomas Grace, M.D. Surgery Center (Baltimore City)
Establish an ambulatory surgery center with 1 non-sterile procedure room to be located at 300 Frederick Road, Suite 200, Baltimore.

Policy and Planning

The *Maryland Ambulatory Surgery Provider Directory*, profiling CY2007 information on ambulatory surgery facilities and ambulatory surgery services in general hospitals, was posted on the MHCC web site on December 5, 2008. The information in this directory, acquired through an annual survey of Maryland's ambulatory surgical facilities will serve as a base for updating the *Maryland Ambulatory Surgery Facility Consumer Guide*, also located on the MHCC web site. 2007 data from the survey can also be accessed through MHCC's web-base Public Use Files.

Hospital Quality Initiatives

The Hospital Performance Evaluation Guide (HPEG) Committee
The HPEG Advisory Committee held its monthly meeting on November 24th to discuss various activities associated with the maintenance and expansion of the Hospital Performance Evaluation Guide (HPEG).

The staff reviewed the comments received from hospitals regarding the addition of new quality measures on the Hospital Guide. The proposed measures were posted on the MHCC website with a deadline of November 3rd for submission of comments. The proposed changes include the expansion of the Surgical Care Improvement Project (SCIP) measures to include all surgical strata (hip, knee, colon, cardiac, hysterectomy, vascular and other surgery). Currently, the Commission reports SCIP measures for hip, knee and colon surgery only. The staff also proposed the addition of five new SCIP measures and three new measures associated with Children's Asthma Care. The Committee agreed to continue to move forward on the new reporting requirements. The proposed quality measures are scheduled for posting in the December 19th issue of the Maryland Register. The effective date for reporting the new and expanded SCIP measures is January 1, 2009. The effective date for reporting the Children's Asthma Care measures is July 1, 2009.

Procurement Activities related to the Expansion of the Hospital Performance Evaluation System
In addition to the activities associated with the immediate update of the Guide, the staff continues to work on a long term data management strategy which entails the establishment a Quality Measures Data Center (QMDC). The QMDC will provide direct and timely access to detailed patient-level quality and performance measures data. This approach will not only accelerate the timely receipt of data directly from hospitals, but it will enable the Commission to validate the accuracy and completeness of the data as well. Historically, the hospital performance measure data (in summary form) have been obtained from the CMS Quality Improvement Organization (QIO) Warehouse.

On April, 2008, MHCC issued a Request for Proposal (RFP) to Establish and Manage a Quality Measures Data Center ("QMDC"). The QMDC will function as a repository for hospital performance measures and supporting data. A six-member evaluation committee, including four individuals from outside the MHCC, reviewed the proposals submitted in response to the solicitation. The Committee held several meetings to discuss the submissions and to consider all relevant information. The proposal review process has been completed and the staff is moving the process forward for consideration and final approval by the Board of Public Works. The staff anticipates the initiation of a contract by January 1, 2009.

Healthcare Associated Infections (HAI) Data
The staff has continued efforts towards implementation of the recommendations of the Technical Advisory Committee on Healthcare-Associated Infections (TAC-HAI). Phase 1 of the TAC-HAI recommendations state that public reporting of data on healthcare-associated infections shall be initiated with the following three measures: Central Line-Associated Bloodstream Infections (CLA-BSIs) in All Intensive Care Units (ICUs), Health care Worker (HCW) Influenza Vaccination, and Compliance with Active Surveillance Testing (AST) for MRSA in All ICUs. The TAC-HAI also recommended that a permanent Advisory Committee, comprised of experts in the field of infection control and epidemiology, be established to guide the MHCC's HAI public reporting activities. An HAI Advisory Committee (HAC) has been established and they provide invaluable guidance in MHCC's HAI data collection and reporting activities.

Since July 1, 2008, Maryland hospitals have been required to use the National Healthcare Safety Network (NHSN) surveillance system to report data to the Commission on Central Line-Associated Blood Stream Infections in any ICU. Hospitals are required by NHSN to report data in the system within 30 days following the end of the month. The staff has worked with the hospitals to facilitate compliance with these new data reporting requirements. All hospitals are participating in the system and are now recording data on CLABSIs in ICUs.

A sub-committee of the HAC was formed to recommend options for collecting data on the rate of HCW Influenza Vaccinations in hospitals. The sub-committee reviewed, in detail, possible data elements and definitions, the data collection tool and timeframe. The recommendations of the sub-committee were

subsequently approved by the HAC and provided the guidance necessary to issue a preliminary HCW Influenza Vaccination survey to hospitals on November 14th.

A sub-committee of the HAC was also formed to recommend options for collecting data on hospital compliance with Active Surveillance Testing (AST) for MRSA in All ICUs. It is important to note that this is a process measure that evaluates the rate of hospital screening (AST) for MRSA in all ICUs. It is not an outcome measure that evaluates the rate of MRSA colonization or infection in the hospital.

The sub-committee discussed, in detail, the current AST for MRSA guidelines and recommendations and considered use of the NHSN surveillance system as the data collection vehicle. The subcommittee recommended use of an on-line hospital survey designed to collect information on the rate of AST for MRSA in ICUs. The staff developed a preliminary survey for hospital review and comment. The survey was disseminated to hospitals on November 14th.

Other Activities
In support of MHCC's hospital quality initiatives, the staff continues to reach out to other units within DHMH, federal agencies, professional organizations and other states, to share and gather information and to identify opportunities for collaboration and improvement. The staff collaborates with the HSCRC staff on data issues to support the Quality Based Reimbursement project and broader rate setting issues.

Specialized Services Policy and Planning

COMAR 10.24.05 Research Waiver Applications: Atlantic C-PORT Study of Nonprimary Percutaneous Coronary Intervention provides for a limited number of qualified hospitals without on-site cardiac surgical services to participate in the Atlantic Cardiovascular Patient Outcomes Research Team (C-PORT) elective angioplasty study. On October 14, 2008, Frederick Memorial Hospital and Washington County Hospital timely filed applications for a research waiver to provide npPCI services without on-site cardiac surgery as part of the C-PORT E study. Notice of the docketing of the applications was published in the *Maryland Register* and posted on the Commission's website on December 5, 2008: Frederick Memorial Hospital (Docket No. 08-10-0034 NPRW) and Washington County Hospital (Docket No. 08-21-0035 NPRW). Both hospitals currently have one-year waivers, effective in March 2008, to provide primary percutaneous coronary intervention (pPCI) without on-site cardiac surgery; the hospitals' applications for two-year pPCI waivers are due in December 2008.

In 2008, the Department of Health and Mental Hygiene reconvened its Perinatal Clinical Advisory Committee to review and update the Maryland Perinatal System Standards. The Commission's staff participated in revising the Standards to be consistent with the latest edition of the *Guidelines for Perinatal Care*, which is issued jointly by the American Academy of Pediatrics (AAP) Committee on Fetus and Newborn and the American College of Obstetricians and Gynecologists (ACOG) Committee on Obstetric Practice, as well as the AAP 2004 Policy Statement on Levels of Neonatal Care. The most current version of the Standards is incorporated by reference in the Commission's State Health Plan for Neonatal Intensive Care Services (COMAR 10.24.18), which identifies Level III as neonatal intensive care services. The revised Standards are available at http://www.fha.state.md.us/pdf/mch/perinatal_standards.pdf.

CENTER FOR HEALTH INFORMATION TECHNOLOGY

Staff initiated its review of data submitted by 47 hospitals on the *Hospital Health Information Technology Survey* (survey). Hospital Chief Information Officers (CIOs) worked with staff for nearly five months to develop a survey that assessed health information technology (HIT) adoption in hospitals and clinical data sharing with service area providers. Staff plans to review the preliminary findings with hospitals and release a report on aggregate findings in April. The Center for Hospital Services is considering including the survey as part of its annual *Maryland Hospital Performance Evaluation Guide*. Last month, staff completed the development of a similar survey for freestanding ambulatory surgical centers and plans to work the Maryland State Ambulatory Association to administer the survey during the first quarter of 2009.

Education and awareness activities related to the Centers for Medicare & Medicaid (CMS) EHR Demonstration Project continued during November. The application phase for the demonstration project ended on November 26th. Primary care practices with 20 or fewer physicians that have implemented or plan to implement an EHR were eligible to apply to participate in the five year demonstration project. Twelve states were selected to participate in the demonstration project; four states including Maryland were selected by CMS to take part in the first phase of implementation. All combined, CMS received approximately 803 applications during the first phase, nearly 250 originated in Maryland. The remaining eight states are scheduled to begin the application phase in June 2009. Solo practices can earn up to $58,000 and practices with 20 or less physicians can earn up to $290,000. CMS plans to notify practices selected to participate in the demonstration project in April 2009.

The Joint Commission on Accreditation of Healthcare Organizations (JCAHO) sets standards for health care organizations and issues accreditation to organizations that meet these standards. Staff proposed modifications to JCAHO on their Hospital Information Management Chapter of their survey manual. This chapter refers to retrieving, disseminating, and transmitting information. Staff received confirmation from JCAHO that it has approved the proposed revisions. The revisions require hospitals to use health information management systems that are consistent with criteria developed by the Certification Commission for Health Information Technology (CCHIT).

Staff continued to develop an initiative to better understand the risks, benefits, and barriers to HIT adoption in long term care. This initiative will explore issues that impact this stakeholder group specifically in the areas of privacy and security and technology to understand the current state of HIT planning and adoption, willingness of providers to invest and manage the implementation of HIT, and what stakeholders need to know and do to support HIT in nursing homes. Long term care facilities provide care to the fastest growing segment of the population, and accounts for a high portion of the health care dollars spent. Staff anticipates releasing a report around the third quarter of 2009.

Staff provided input to the Electronic Health Network Accreditation Commission (EHNAC) in the criteria development for an HIE privacy and security policy accreditation program. EHNAC recently formed an advisory panel consisting of national representation to develop privacy and security policy that evaluates health information exchanges (HIEs). Staff is participating on the advisory panel and is providing ongoing support to EHNAC in defining the criteria for its privacy and security policy accreditation program. Over the next two months, representatives of the advisory panel will meet virtually to discuss the proposed criteria and identify where additional criteria development is required. EHNAC anticipates making this accreditation program available to HIEs in the fourth quarter of 2009.

Staff is in the beginning stages of a project to review the 13 recommendations identified in the *Task Force to Study Electronic Health Records* (Task Force) report released at the end of 2007. Approximately 26 diverse volunteers with a broad range of interests in health care and HIT developed recommendations regarding EHRs, e-prescribing, and computerized physician order entry. A final report was issued at the end of 2007. Staff plans to invite a small group of participants from the Task Force to take part in a focus group discussion to consider any potential changes they would propose to the recommendations one year later. Staff plans to release a supplemental brief to the report during the second quarter of 2009.

Health Information Exchange

Chesapeake Regional Information System for our Patients and the Montgomery County Health Information Exchange continued planning efforts to build a statewide clinical data sharing utility within the state. The two multi-stakeholder groups are focused on addressing issues related to governance, privacy and security, role-based access, user authentication and trust hierarchies, architecture of the exchange, hardware and software solutions, costs of implementation, alternative sustainable business models, and strategies to assure appropriate consumer engagement, access, and control over information exchange. Staff continues to participate in the discussions of the planning groups. The multi-stakeholder groups are scheduled to submit a final report by February 20, 2009. Staff plans to merge the best ideas submitted from the two groups into a single Request for Application to build a statewide exchange that can share information across multiple provider settings.

Efforts are underway to develop an initial draft of the *Service Area Health Information Exchange (SAHIE) Resource Guide* (Guide). The Guide is intended to identify policy and best practices for communities that are planning to exchange electronic patient information. A SAHIE Workgroup (workgroup) consisting primarily of hospital CIOs was convened to address community data sharing challenges regarding a patient's right to access information, a range of business practice, technical standards, and key financial, organizational, and clinical barriers to exchanging electronic data. Staff has engaged the assistance of Dynamed Solutions, LLC to assist in facilitating and drafting of the Guide. Staff anticipates completing the Guide in the first quarter of 2009.

Maryland is one of ten states participating with the Health Information Security & Privacy Collaboration's (HISPC) Adoption of Standards Collaborative Workgroup (workgroup). Last month, the workgroup completed drafting the outline for the final report and developed a policy implementation guide template for the adoption of a *National Health Bridge (NHB): Basic Policy Requirements for Authentication and Audit*. The Office of the National Coordinator for Health Information Technology (ONC) has subcontracted with the participants of the workgroup to develop recommendations for cross HIE treatment of individuals and populations, and the development of an implementation plan that guides participating states in the adoption of privacy and security policies for authentication and audit. The final report is due to ONC in April 2009.

Staff completed its evaluation of various management services organization (MSOs) that offer EHRs to providers through an application service provider (ASP) business model. Approximately six different MSO business models ranging from hospital affiliation to independent organizations exist in the market. The data suggests providers that participate in an MSO are positioned better to overcome some of the traditional obstacles that exist with EHR adoption. MSOs eliminate the need for an onsite client server as the technology is stored at offsite locations, and participation is on a subscription basis. Staff anticipates releasing a report during the first quarter of 2009. The Erickson Health Information Exchange, LLC is providing support to this project.

Electronic Health Networks & Electronic Data Interchange

Staff is in the preliminary stage of developing the *2008 EDI Progress Report*. Payers use this information to develop programs aimed at increasing provider use of technology. Staff also notified 47 payers of their reporting requirements for 2009 under COMAR 10.25.09, *Requirements for Payers to Designate Electronic Health Networks.* Payers with a premium volume of one million dollars or more are required to annually submit census data on their administrative health care transactions; the 2008 calendar year report is due by June 30, 2009. Next month staff plans to evaluate a number of enhancements to the web based application, which payers used for the first time last year to submit their data.

Working closely with the seven managed care organization (MCOs) operating in Maryland, staff completed development of the *Managed Care Organization's Payer Internet Guide* (Guide). Similar to the *Payer Internet Guide*, this Guide provides information on the ability of the MCOs to accept select electronic administrative health care transactions from providers over the Internet. The Guide is available on the MHCC website.

Staff granted certification to three electronic health networks (networks); Herae, LLC; InstaMed Communications, LLC; and ZirMed, Inc. Staff also granted candidacy status to QS1, VisionShare and XactiMed. Approximately 37 networks are certified by MHCC to do business in the state. MHCC grants certification based upon a network obtaining EHNAC accreditation and from the results of its privacy and security policy assessment.

National Networking

Staff participated on the Health Information Management System Society Personal Health Record (PHR) Clinical Outreach Taskforce. Last month this taskforce deliberated on a core set of Frequently Asked Questions about PHRs for physicians. In addition, staff participated on the HIMSS HIE Technology Portfolio Taskforce and on the Healthcare Transformation through Healthcare Information Technology Workgroup. Staff also attended the Armed Forces Communications and Electronics Association's annual health IT conference.

Staff participated in several webinars throughout the month: the Joint Certification Commission for Healthcare Information Technology (CCHIT) and the Health Information Security and Privacy Collaboration webinar that discussed the value of certification, the eHealth Initiative's webinar that discussed privacy and confidentiality issues critical to consumers, and the Center for Community Health Leadership's webinar that featured Newt Gingrich, Founder of the Center for Health Transformation and Glen Tullman, CEO of Allscripts.